1935.

Department of Revenue

OFFICE Bd of Rev. Hr DS

STATION Madras

No Mis	
Dated 16-8-35	
For in the file	

B 4124/35

(SUBJECT.)

Lease of land - (South Kanara) - Port of Mangalore - South Reclamation area - Board's remarks - Enclosed.

SECY.
1 JUL 1935

Revenue Department.

Memorandum No. 2753 F/35., Dated the 17th July 1935.

BOARD OF REVENUE MADRAS 22 JUL 1935 LAND REVENUE AND SETTLEMENT
15 JAN 1936

Lease Land \- Port of Mangalore - South Reclamation area.

Copies of the correspondence noted in the margin*

*1. Letter from the Presidency Port Officer to the Government, dated 6th March 1935.
2. -do- dated 25th March 1935.
3. From the Collector of South Kanara, D. Dis.No. 3837-34 dated 8th April 1935.
4. Finance Department Memorandum No.8399 Mar.-3 dated 17th April 1935.
5. From the Presidency Port Officer, No.1503 Gl. 34-8 dated 21st June 1935.

are sent to the Board of Revenue.

2. An extent of 5 acres 50 cents known as the South Reclamation area in the port of Mangalore has been reclaimed at a cost of 1.25 lakhs. It is proposed to utilize the area as shown below:-

			A.	C.
(1)	Port and Marine purposes	...	1	- 10
(2)	To be leased out in plots	...	2	- 72
(3)	To be converted into roads	...	1	- 68
			5	- 50

3. According to paragraph 100 (a) of the Port Manual port lands required for marine purposes should be leased out by the port department and the rent collected therefrom credited to port funds. Similarly port lands required for non-marine purposes should be leased out by the Revenue department and the proceeds credited to that department. In the present case the Government have in G.O. No. 408 Finance (Marine) dated 2nd August 1928 (copy enclosed) directed that any revenue derived from the reclaimed lands should be credited to the Mangalore Landing and Shipping fund. The area has been reclaimed at the cost of this fund. Further some roads and culverts have to be constructed, presumably at the cost of the landing and shipping fund. It has been suggested that in the circumstances, it will be convenient if the leasing is done by

one department irrespective of the purpose for which the land may be used and that the Presidency Port Officer may be authorized to lease the entire land (both for marine and non-marine purposes) subject to the terms that may be fixed by the Government. The Board of Revenue is requested to offer its remarks on this suggestion.

4. The terms of the lease are dealt with below:-

(1) Period of lease. It has been suggested that the period of the lease may be 25 years as recommended by the Presidency Port Officer and the Collector.

(2) Rent. In G.O. No. 318 Finance (Marine) dated 1st August 1933 (copy enclosed) the Government issued a notification that the rent for lands leased out for any purpose within the landing and shipping Fund reclamation area would be Rs.6/- per 100 sq. ft. or part thereof per annum. Proposals for fixing rates of rent for port lands leased out for marine and non-marin purposes are separately under consideration. For lands let out for marine purposes the Presidency Port Officer has suggested a rent of Rs.6/- per 100 sq. ft. for lands on the reclaimed areas at Mangalore. The question of fixing rents for the areas let out for non-marine purposes is under consideration. Vide. Memorandum No. 4608 F/34-1 dated the 22nd October 1934. Pendir the issue of general orders it has been suggested that in the present case the land may be leased at Rs.6/- per 100 sq. ft.

(3) Resumption of land and renewal of lease. The adopt of the following conditions was suggested to the Presidency Port Officer:-

(a) that on the expiration of the lease the land should be restored by the lessee to its original condition, and

(b) that if the land is required by Government for a

public purpose during the duration of the lease, twelve months' notice should be given and the lessee will not be entitled to any compensation.

The Collector of South Kanara has stated that the right of re-entry by Government on the land should be reserved for exercise only in exceptional circumstances. The Port Officer, Mangalore has stated that a condition requiring the lessee to restore the land to its original condition on the expiration of the 25 years' lease will affect the lessee adversely He suggests that the lease may be made renewable at the option of the lessee, if the land is not then required for public purposes, and that on six months' notice of resumption should be given during the lease period. It is suggested that in the case of pucca buildings the usual condition that at the time of resumption the book value or the market value whichever is less should be paid, may be imposed. The Board ∅ is requested to offer its remarks on the above suggestions and to suggest the general terms that may be laid down by the Government for the guidance of the officers of the Port Department in leasing the plots.

E.W. Bouchier,
Under Secretary to Government.

To the Board of Revenue, Land Revenue and Settlement.
(with enclosures).

Forwarded.
(By Order)

K.V.D.

Copy of letter from the Presidency Port Officer, Madras, No.1503.G1/34-1, dated 6th February 1935.
---- March ?

Mangalore--South Reclamation area--Lease of reclaimed land.

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I have the honour to invite a reference to paragraph 2 of this office letter to Government No.3287.G1/32-3, dated 7th April 1933 (disposed of in G.O.No.Ms.192 Finance (Marine), dated 8th May 1933), and to forward herewith copy of letter from Port Officer, Mangalore, on the above subject, No.744-1, dated 11th August 1934. There is no objection to the land being leased provided that buildings erected thereon are of suitable design and construction and the leases are subject to termination with three months' notice. Leases of land on the North reclamation area in the port have been granted for a period of 6 years but in this case it has been suggested that the leases may be for a longer period - say 49 or 99 years. The reclaimed land is apparently not required for port purposes. The value of this land works out to Rs,50,000/- (approximately) per acre - vide copy Assistant Engineer's Note dated 23rd February 1935 attached. The question arises whether it is advisable to sell the land without locking up such assets for such a long period. I am not inclined to favour the selling outright of the land and think that a 25 years lease is preferable. I request the orders of Government in the matter.

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possibility of a scheme for building on lease-hold plots had been put forward previously, vide Presidency Port Officer's letter No.436 G1-2, dated 10th March 1927, no definite applications for land were received. The plots on the North Reclamation area available for lease have now been all leased out with the exception of one, the terms of the lease deed of which are pending Government's decision.

An application for a plot of land measuring 40' x 30' on the South Reclamation area was submitted by U. Badwa Beary Boat Owner on 10th July 1934 and put up at a meeting of the Port Conservancy Board held on 18th July 1934, the whole ~~whole~~ question of the propriety of leasing out land on this area was thereby again raised. The Board asked for a plan shewing a proposed lay out, this has been done, copy enclosed; meanwhile 11 further applications for plots have come in from various merchants for the erection of godowns for storage purposes. There is no doubt that godown accommodation adjacent to the Bunder is very limited.

The Board - considered the question of leasing out plots on the area again at a meeting held on 10th August 1934, their resolution is appended. The question of the period of the proposed leases is an important one

Up-to-date all leases on Reclaimed land on the North Reclamation area have been for a period of 6 years and certain merchants have in good faith erected pukka buildings thereon.

The Board's enquiry regarding the terms of the leases Government might be prepared to give, rest in the fact, that provided a longer lease--say for 49 or 99 years--could be obtained the leasees would be in a better position to put up types of buildings, which would not detract from the proposed general lay out and spoil the outlook of the Bunder frontage. Foundations too will be an expensive item particularly for any double storied b

ir

building as it is all reclaimed land. The Board in their resolution have approved of the general lay out I have put up, I would request that my proposals may be considered in addition to Government being addressed regarding the terms of the proposed leases. The Board propose to have the blocks laid out in suitable sites, vide plan, and will not consider measurements for lands ~~required~~ required for by applicants.

I am of the opinion that provided supervision is upheld regarding the type of buildings put up, the area could be made into a very attractive lay out, bringing into the port an approximate revenue of Rs.6,000/- per annum, current rates, at present the land is lying fallow.

In reference to the proposal to abolish the truck line abreast of the area, I consider this should be done, this stretch of line is hardly used at all, a convenient road is adjacent for cargo traffic.

The life of the pier cannot be much more than three to four years and once the pier is done away with the truck line follows suit. I propose, however, to maintain the truck lines within the customs enclosures to handle passengers' baggage and dutiable cargo until the pier is demolished.

The removal of the truck line abreast of the south reclamation area is necessary to line up the buildings which will go up on the proposed lease hold plots, as may be seen from the plan.

The 30 ft. road proposed along the entire frontage would eventually be connected up with the north reclamation road giving a complete road along the port wharves.

The question of the option of present owners of property along the now first line beach road of taking up any of these plots will be considered by the Board, as occasion arises, this

being

being the policy the Board have adopted throughout in forwarding previous leases to Government.

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Resolution No.XIII of the Port Conservancy Board, Mangalore, dated 18th July 1934.

Read petition from Badua bin Savunhi Beary, Boat owner and Merchant, dated 10th July 1934 requesting lease of a plot of port south reclamation land, 40' x 30'.

"The Board is not able to decide this matter without first making a decision on the general question whether any, and if so, how much of the South Reclamation will be leased out or allowed to be occupied. The Port Officer will be asked to enter details in the plan showing the Buildings on the present Bunder, distinguishing Office and residential buildings from godowns. The Board will then consider whether buildings may be erected on the reclamation opposite the godown frontages, and if so how the land shall be disposed of "

Resolution No.VI of the Port Conservancy Board, Mangalore dated 10th August 1934, regarding the disposal of Port South Reclamation land

Read Resolution XIII of the Port Conservancy Board dated 18th July 1934.

"The Board resolves that if land on the South Reclamation is leased the truck line south of the Municipal Office can be removed.

The Board also resolves to address Government to ascertain for what period the Government would give leases, so that those who take up land may know whether they will be advised to put up permanent buildings.

The Board approves generally the lay out proposed by the Port Officer.

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Copy of letter No. 1503 Gl. 34-3 dated 25th March 1935 from the Presidency Port Officer, Madras to the Secretary to Government, Finance (Marine) Department.

Port of Mangalore - South reclamation - lease of reclaimed land.

Memorandum No.8399-Mar-2, dated 20th March 1935.

With reference to the Memorandum cited above, I have the honour to submit the following:-

(a) Total area of South reclamation reclaimed..5acres 50 cents.

Total expenditure incurred on reclamation..Rs 1,25,000/-

(b) The portion of reclaimed land in (a) required for

(i)	Port of Marine purposes	.. 1 acre 10 cents.
(ii)	To be leased out in plots	.. 2 ,, 72 ,,
iii)	To be included with (ii) for roads	.. 1 ,, 68 ,,
	Total area	.. 5 acres 50 cents.

(c) G.O. No.318 Ms. dated 1-8-33 fixes the rental value at Rs.6/- per 100 sq. ft.

hence annual rental on 2 acres 72 cents will be Rs.7110.

At 5% this represents a value of .. Rs.52280/- per acre.

At 6% do. do. .. ,, 43566/- do.

The approximate value may be taken as.. ,, 50000/- per acre.

Cost of reclamation vide (a) above .. ,, 25000/- do.

If the land is leased out the total area involved is 4.40 acres. 1.68 being for roads and layout for a return of Rs.7110/- less Rs.1,110/- approximately for maintenance of roads, taxes, etc. or 4.40 acres will give a return of Rs.6000/- per annum only. The relative value of land assuming a 5% return will thus be reduced to Rs. 27,272/- per acre, and at 6% Rs.22727/-per acre.

Copy of letter D. Dis. No. 3837/34 dated 8th April 1935 from the Collector of South Kanara to the Secretary to Government, Finance (Marine) Department.

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Port of Mangalore - South Reclamation area - Lease of reclaimed land. - Government endorsement No. 8399 Marine - 1, dated 20th March 1935.

I agree with the Presidency Port Officer. I am against the outright sale of land on the South reclamation area as the price of landed property is depressed now. I am in favour of leasing out the land in the area on a 25 years' lease and I expect that people would take up the land if such a lease is granted Leases would bring in a steady income to the Port. If the land is put up for sale, it is possible also that the necessity for the payment of a heavy lump sum by the purchasers at a time when money is not plentiful would discourage bidders. If on the other hand large sums are paid for the land, this would cripple purchasers from erecting suitable buildings on the plots.

2. Everything therefore points to a lease rather than an outright sale of the land being suitable, and preference could be given to those who are prepared to take a 25 years' lease against those who want leases for shorter periods.

3. A stipulation in the lease of the right of re-entry on the land with three months' notice would not be feasible (except for default of conditions of the lease), where the lease permits the erection of buildings of a substantial nature; the usual conditions will have to be modified so as to secure to the lessees some feeling of security so long as they fulfil the conditions of the lease. Re-entry should be reserved as a right to be exercised only in exceptional circumstances.

Copy of Memorandum No. 8399 Mar.-3 dated 17th April 1935 to the Presidency Port Officer, Madras.

Port of Mangalore - South Reclamation area - Lease of reclaimed land - ~~Reference~~ Reference:-Correspondence ending with Presidency Port Officer's letter No.1503 Gl. 34-3 dated 25th March 1935.

The Presidency Port Officer is requested to furnish information on the following points:-

(1) the market value of the land per acre.

(2) the rent per acre the land in question will fetch with reference to the prevailing market rates in the locality if leased for 25 years subject to the following conditions:-

(a) on the expiration of the lease the land should be restored by the lessee to its original condition; and

(b) if the land is required by Government for a public purpose during the duration of the lease, 12 months notice would be given and the lessee will not be entitled to any compensation.

whether the land will be leased out for marine/~~purposes~~ or non-marine purposes - ~~c.f.~~ G.O. 583 Finance (Marine) dated 1st November 1934.

Copy of letter from the Presidency Port Officer, Madras, No.1503 G1/34-8, dated 21st June 1935.

Mangalore Port--South Reclamation area--
Lease of reclaimed land.

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With reference to Government Memorandum No.8399 Mar-3, dated 17th April 1935, I have the honour to forward herewith a copy of letter No.744/34-3, dated 30th April 1935 from the Port Officer, Mangalore containing the required information together with his observations and to state that no definite authority can be given for the market value of the land per acre mentioned therein, for the reasons stated in letter D.Dis.No. 2093-35, dated 13th June 1935 from the Collector of South Kanara (Copy attached).

From the Port Officer, Mangalore, to the Presidency Port Officer, Madras, No.744/34-3, dated 30th April 1935.

Ref:- Port of Mangalore--South Reclamation area--Lease of relcaimed land--Your No.1503 G1-34-4, Government Memo.No. 8399 Mar.-3, dated 17th April 1935.

Submitted.

The market value of land in the immediate vicinity, that is, land on the present first line beach, South Reclamation, is approximately Rs.25,000/- per acre.

2. The rent for the reclaimed land at Rs.6/- per 100 sq. ft. or part thereof per annum or part thereof, (the present rate on the North Reclamation area, G.O.No.318, dated 1st August 1933) amounts to Rs.2616/- per acre, per annum.

Basing this revenue as a 5% return, the market value is Rs.52,320/- per acre, twice the value of the land in the vicinity.

I am not in favour of the proposal of the outright sale of land on the South Reclamation area as the price of landed property is depressed at present.

If the land is put up for sale it is possible that the necessity for the payment of a heavy lump sum purchase price, at a time when money is scarce would cripple the purchaser from erecting decent and suitable buildings. I consider too that offers approaching the cost of reclamation will not be forthcoming. A steady income from long terms leases is what the port is in need of.

3. The proposed condition of 2(a) of Government Memorandum No.8339 Mar-3, dated 17th April 1935 that on the expiration of a 25 years lease, the land should be restored to its original condition affects the lessee adversely.

The terms are not conducive to the erection of pukka constructions as the entire buildings needs must be removed, to vacate the ground, and restore it to its original condition. In the case of the present leases on the North Reclamation areas, for 6 years, whereon the lessees have erected substantive buildings, the lessee has the option of renewal unless the land is required for Government purposes.

The proposal to give long tenure leases is to enable the lessees to put up buildings of a standard design.

I therefore suggest that if Government is prepared grant 25 years leases, the lease may be renewed at the option of the lessee on expiry if the land is not then required for public purposes.

Clause (b) should be retained to enable Government resume land, if, and when required, but the period of notice may be restricted to 6 months.

4. The land may be used either for Marine and or Non-Marine purposes as it is the intention of applicants to erect both Warehouses and Offices.

In view of G.O. No.408 Finance (Marine), dated 2nd August 1928 Revenue derived from the reclaimed lands will be credited to the Mangalore Landing and Shipping Fund.

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Copy of letter from the Collector of South Kanara, to the Port Officer, Mandalore, No.D.Dis.No.2093-35, dated 13th June 1935.

Port of Mangalore--South Reclamation area--Lease--Market value of land--Information furnished--Your letter No.744/34-4, dated 8th May 1 9 3 5.

There have been no sales recently of any land in the vicinity of the Port South Reclamation area and exact data cannot be furnished for the valuation of land in this area, as the reclaimed land has no similarity to other private holdings in the vicinity. I consider that Rs.25,000/- an acre is a very reasonable rate of value to put on the land on the South Reclamation area as worked out on the basis of rent. But this price would not probably be obtained by outright sale of the land as purchasers would not wish to part with so much cash Since a system of leases suits firms and also suits the Port (~~with~~ which needs income rather than capital) the question of the precise market value of the land becomes an academic point. Further, if Government is prepared to consider outright sale there can be no objection to long leases with option of renewal.

Government of Madras.

Received.....1935. Registered.....1935.

Abstract.

Port of Mangalore - Reclaimed land - Leases - Orders passed.

FINANCE (MARINE) DEPARTMENT.

G.O. No. Ms. 408. Dated 2nd August 1928.

Read the following:-

From the Presidency Port Officer, No. 436 Genl.-1 dated 10-3-1927.
Memorandum to the Presidency Port Officer, No. 9371-1 dated 30-3-1927.
From the Presidency Port Officer, No. 436 G1-5 dated 9-4-1927.
From the Presidency Port Officer, No. 436 G1.6 dated 30-4-1927.
From the Collector of South Kanara, No. 3535-B.2-27 dated 30-4-1927.
Memorandum to the Presidency Port Officer, No. 9371-2 dated 12-5-1927.
From the Presidency Port Officer, No. 1067 G1.2 dated 27-5-1927.
From the Collector of South Kanara No. 3535-B.2-27 dated 31-5-1927.
Memorandum to the Collector of South Kanara, No. 9371-3 dated 26-9-1927.
From the Collector of South Kanara, No. 3535-B.2-27 dated 6-12-1927.
From the Collector of South Kanara, No. 3535-B.2-27 dated 7-2-1928.
Memorandum to the Presidency Port Officer, No. 9371-4 dated 23-2-1928.
From the Presidency Port Officer, No. 405 G1-1 dated 27-2-1928.
Memorandum to the Collector of South Kanara, No. 9371-6 dated 6-3-1928.
From the Collector of South Kanara. No. 3535-B.2-27 dated 2-5-1928.
Memorandum to the Collector of South Kanara, No. 9371-8 dated 18-5-1928.
From the Collector of South Kanara, No. 3535-B.2-27 dated 2-7-1928.
Memorandum to the Presidency Port Officer, No. 9371/27-9 dated 13-7-1928.
From the Presidency Port Officer, No. 405 G1. 2 dated 17-7-1928.

O R D E R.

R e c o r d e d.

2. The Government accept the Resolution passed by the Port Conservancy Board, Mangalore, at the meeting held on 26th April 1928 that for the present leases should not be granted for any further portions of the reclaimed areas ~~xxxx~~ at the port. The question of granting further leases may wait till the reclamation is complete.

3. The leases already granted may be allowed to continue.

4. Any revenue derived from these reclaimed lands should be credited to the Mangalore Landing and Shipping Fund.

(By Order of the Governor in Council).

H.A. Watson,
Secretary to Government.

To the Collector of South Kanara. (with 2 plans).
,, ,, Presidency Port Officer.
Copy to the Revenue Department.

K.V.D.

Government of Madras.

Received.....1935. Registered.....1935.

Abstract.

Port of Mangalore - Ground rent for reclaimed area - Increased.

Finance (Marine) Department.

G.O. No. Ms. 318. Dated 1st August 1938.

Read the following:-

From the Presidency Port Officer, No. 1159 Gl.-1 dated 12-7-1933.

O R D E R.

The following notification will be published in the Fort Saint George Gazette and in the South Kanara District Gazette:-

Notification.

In the schedule of rates of rents on lands within port limits appended to Marine Department Notification No. 66 dated the 12th September 1917, published on pages 1109-1111 of Part I of the Fort Saint George Gazette of 18th idem as subsequently amended, insert the following as item 5 in column 4 of the schedule against the Port of Mangalore.

5. For lands leased out for any purpose within the Landing and Shipping Fund Reclamation area, Rs.6/- per 100 sq. feet or part thereof per annum or part thereof.

(By Order of the Governor in Council

H.M. Hood,
Secretary to Government.

To the Presidency Port Officer.
,, ,, Examiner of Local Fund Accounts.
,, ,, Collector of South Kanara.
,, ,, Superintendant, Government Press for publication in the Gazette.

K.V.D.

Mr AHAT 2

DRAFT FOR APPROVAL

	Date.	Initials.
When received for fair copying ..		
When copied ..		
When examined..		
When signed ..		
When despatched.		

SUBJECT:— Lease - Land — (South Kanara) — Port of Mangalore — South Reclamation area — Board's remarks — Subd

READ AGAIN _____, dated _____ 19____.

" " _____ " _____ 19____.

READ *ALSO*:—

No. B 4124/35 From the Govt RD ; No. Q , dated _____ 19____.

" _____ " _____ " _____ " _____ 19____.

" _____ " _____ " _____ " _____ 19____.

Order / Resolution Ms. / Routine No. 3113, dated 16 - 8 - 1935.

pp 1-3 of

pp 1-2 of

pl n·f.

The Board offers the following remarks on the ~~record~~ suggestions contained in the Memo. from Govt read above:-

2. Para 3 of the Memo.

The Board agrees ~~to~~ to the suggestion that it will be convenient if the leasing is done by one department and that the Presidency Port Officer may be authorised to lease the entire land in the South Reclamation area both for marine and nonmarine purposes. The Presidn Port Officer should however consult the Collr. with regard to leases for

non-marine purposes.

3. Para 4 (1) of the Memo.

The Board agrees with the Presidency Port Officer and the Collr. that the period of the lease may be 25 years.

4. Para 4(2) of the Memo.

The Board ~~agrees to~~ accepts the suggestion that pending the issue of general orders, land in the Reclamation area may be leased at 6/- per 100 sq. feet.

5. Para 14(3) of the Memo.

The Board considers it reasonable to give compensation for pucca buildings if the lessee has to vacate the premises during the first twenty-five years lease ~~if~~ when on account of the Govt. require the land for a public purpose. It does not see any reason to pay compensation in any other circumstances e.g. if the land is resumed by the Govt for violation by the lessee of any of the conditions of the lease or if the premises are reqd. by the Govt after the lapse of the first lease for twenty-five

Lease - Land - (South Kanara) - Port of Mangalore - South Reclamation area.

B.4124/35 - From the Govt. Rev. Department.

To Asst. Secy.

Please see the Memo. from Govt. at pp.1-3 c.f. and the enclosures thereto at pp.5-19 c.f. The Govt. have called for the Board's remarks on the suggestions referred to in paras. 3 and 4 of the Memo. They are dealt with below seriatim.

2. Para. 3 of the Govt. Memo.

The suggestion is that the Presidency Port Officer may be authorised to lease the entire land comprised in the South Reclamation area, both for marine and non-marine purposes, subject to the terms that may be fixed by the Govt.

For the reasons stated, viz. (i) that the revenue derived from the reclaimed land is now credited to the Mangalore Landing and Shipping Fund, (ii) that the area has been reclaimed at the cost of that fund and (iii) that some roads and culverts have to be constructed at the cost of that fund, the Board may perhaps agree with the suggestion that it will be convenient, if the leasing is done by one department (i.e. Presidency Port Officer in this ~~area~~ case). A condition may perhaps be laid down that the Presidency Port officer should grant leases for non-marine purposes only with the concurrence of

or after consultation with the Collr., of South Kanara, as, under the present rules, leases for non-marine purposes are granted by the Revenue Department. For orders.

CB
26/7/35
27/7/35

The Board may agree with the suggestion to authorise the P.P.O to lease the land both for marine and non-marine purposes. It does not seem necessary that he should consult the Collector in the case of leases for non-marine purposes.

K 2 8 35

4. Para. 4 (2) of the Govt. Memo.

Rent.

The Presidency Port Officer is stated to have suggested a rent of Rs.6/- per 100 sq. ft. for leases of land on the reclaimed areas at Mangalore, for marine purposes. For leases by the Rev. Deptt. for non-marine purposes, the Collr., of South Kanara has suggested the following rates of rent for the port of Mangalore:--

(a) for land required or likely to be required for purposes connected with the existence of the port - Rs.50/- per acre per annum.

(b) for land not so required Rs.25/- per acre per annum.

These rates do not apparently apply to the Landing and Shipping Fund Reclamation area, for which the Collr., himself has charged rent at marine rates for leases for non-marine purposes — the rent itself being creditable to the Fund.

The suggestion in the Govt. Memo. that pending the issue of general orders, land in the Reclamation area may be leased at Rs.6/- per 100 sq. ft. may perhaps be agreed to. For orders.

5.. Paragraph 4 (3) of the Govt. Memo - Resumption of land and renewal of lease.

The suggestions of the Govt. to the Presidency Port Officer were (a) "that on the expiration of the lease the land should be restored by the lessee to its original condition" and (b) "that if the land is required by the Government for a public purpose during the duration of the lease, twelve months' notice should be given and the lessee will not be entitled to any compensation".

As stated by the Port Officer, Mangalore, the condition requiring the lessee to restore the land to its original condition on the expiration of the lease will affect the lessee adversely. His suggestion that the lease may be made renewable at the option of the lessee, if the land is not then required for a public purpose seems reasonable. As remarked by the Collr. of South Kanara, the right of re-entry by the Govt. may be reserved for exercise only in exceptional circumstances, — apparently if the lessee has violated any of the terms of the lease, or if the land is required for a public purpose. If the land is resumed for violation of any of the conditions of the lease by the lessee, or if the lessee is not prepared to exercise the option of renewing the lease after its expiry, there seems to be no reason

for the Govt. paying any compensation for the buildings. If however the lease is terminated on account of the Govt. requiring the land for a public purpose during the term of 25 years or if the lessee is prevented from exercising the option of renewing the lease after the term of 25 years on account of the land being then required for a public purpose, it is perhaps reasonable to provide for the payment of compensation for pucca buildings at their book value or market value whichever is less, the market value as fixed by the Govt — probably by the P.W.D. — not to be questioned by the lessee. - Detachable structures etc. should be - removed by the lessee and no compensation need be paid for them.

The option to renew the lease after 25 years may be given to the lessee only if he had not violated the terms of the lease during the period it was in force. He need not perhaps be given any compensation if he has to vacate the land consequen on his inability to secure a renewed lease by having violated the conditions of the lease previously. For orders.

6. General terms for the guidance of the officers of the Port Deptt. in leasing the plots.

As stated in para. 2 above, it may be made a rule that for leases for non-marine purposes, the concurrence of or consultation with, the Collr., will be necessary. For leases for marine purposes, the Collr. may be freely consulted if there is any difficulty or if the circumstances are peculiar.

In the case of leases for non-marine purposes the Officers of the Port department will invariably consult the Collr. (for the renewal or for lease for the first time) The choice of the lessee by the Collr. will be final and his opinions should be given weight to. For orders.

The Collector of S. Kanara may perhaps be requested to suggest with reference to local conditions what general terms should be laid down for the guidance of the officers of the Port Dept in leasing the plots

K 2835

General instructions will not be necessary if the P.C consults the Coll with regard to leases for non-marine purposes as